

April 23, 2010

To: Governor Mark Parkinson and Legislative Budget Committee

From: Kansas Division of the Budget and Kansas Legislative Research Department

Re: State General Fund Receipts Revisions for FY 2010 and FY 2011

Estimates for the State General Fund (SGF) are developed using a consensus process that involves the Division of the Budget, Legislative Research Department, Department of Revenue, and three consulting economists from state universities. This estimate is the base from which the Governor and the Legislature build the annual budget. The Consensus Group met on April 16, 2010, and decreased the overall estimate for both fiscal years by a combined \$130.2 million relative to the previous estimate made in November. The revised estimates incorporate the fiscal impact of all 2010 legislation previously signed into law by April 16 and changes in expectations since November about the overall severity of the recession.

For FY 2010, the estimate was decreased by \$46.4 million, or 0.9 percent, below the November estimate. The estimate for total taxes was decreased by \$104.6 million, while the estimate for other revenues was increased by \$58.2 million (and includes various FY 2010 transfer adjustments enacted earlier in the session). The overall revised SGF estimate of \$5.254 billion represents a 6.0 percent reduction below final FY 2009 receipts.

The revised estimate for FY 2011 of \$5.095 billion was decreased by \$83.8 million, or 1.6 percent below the November estimate. The new forecast represents a 3.0 percent reduction below the newly revised FY 2010 figure. The primary reason for the reduction of revenues compared to FY 2010 is a net change in \$319.5 million for transfers. Excluding transfers, FY 2011 receipts would have been increased 3.1 percent. Tax receipts only in FY 2011 were revised downward by \$82.0 million, or 1.5 percent below the November estimate.

Economic Forecast for Kansas Summary

While the recession in Kansas appears to have either ended or may be in its final stages, the revised estimates reflect that it will take longer than previously estimated before Kansas fully recovers from the effects of the recession that has significantly affected the state, national, and global economies over the last two years. A great deal of uncertainty on the state's economy

remains, as a number of economic indicators are estimated to show only modest improvements over the next few years. The aggressive use of fiscal and monetary policy initiatives by the federal government may have helped prevent a much more serious economic collapse; however, it will still be some time before the economy will be able to work its way through the damaging effects of the longest recession since before World War II. While Kansas has generally fared better than the nation as a whole, significant concerns remain for many the state's key sectors, including aviation manufacturing and professional and business services. Estimates of Kansas Gross State Product used in November of 2.60 percent for 2010 and 3.00 percent for 2011 have now been increased to 3.25 percent and 4.50 percent, respectively. The Consensus estimates contained in this memo are based on the continued leveling off of the state's economy in FY 2010 and the return of only moderate growth in FY 2011.

Kansas Personal Income

Kansas Personal Income (KPI) in 2009 decreased by 1.75 percent over the 2008 level, which was the first annual reduction since before World War II. KPI is currently expected to increase by 1.3 percent in 2010 and 3.5 percent in FY 2011. The new 2010 and 2011 estimates have improved from the KPI forecasts used in November (positive 0.7 and 2.7 percent, respectively). Current estimates are that overall US Personal Income (USPI) growth will fare moderately better than KPI, with nominal USPI estimates of 1.85 percent in 2010 and 4.75 percent in 2011.

Employment

Data obtained from the Kansas Department of Labor indicate that employment levels for Kansas have begun to level off after experiencing steep declines since July 2008. The most recent monthly data show that total Kansas non-farm employment from February 2009 to February 2010 had decreased by 43,700 jobs or 3.2 percent. Data also show that more than 8,000 jobs were added in February, primarily from gains in the manufacturing and educational and health services sectors. While the economy may be showing signs of improvement, the unemployment rate is not expected to fall substantially over the next two years. Current estimates by the Department are that the overall Kansas unemployment rate, which was 6.7 percent in CY 2009, is expected to increase to 6.8 percent in CY 2010 before moving down to 6.7 percent in CY 2011. These newly revised estimates suggest that as the economy adds jobs in the economic recovery, additional workers will also be entering or reentering the labor force in search of jobs, which will limit the extent to which the unemployment rate may drop.

Agriculture

The current supply of wheat and corn stocks in Kansas and the nation are significantly higher than a year ago, which will continue to put downward pressure on the price of these commodities in the short term. The All Farm Products Index of Prices received by Kansas farmers was 124 in March, up from 116 a year earlier. The latest prospective plantings report indicates farmers expect to plant 20.1 million acres of the four major grain crops in 2010, up 2.0 percent from 2009. If realized, the amount of acres planted with corn would be the largest since

1936, while the amount of acres planted with wheat would be the lowest since 1957. Average livestock prices in mid-March were above prices from a year earlier.

Oil and Gas

The final estimated average price per taxable barrel of Kansas crude is now \$60 (down from the \$70 estimate used in November) and reflects the stabilization of world prices at a lower level than estimated in November. The estimated average price of \$65 per barrel for FY 2011 (down from \$75 in November) takes into account current oil futures price expectations and continued weak demand relative to the economic slowdown. As always, significant political tensions in the Middle East and elsewhere provide a great deal of uncertainty about forecasting the price of this commodity. Gross oil production in Kansas has steadily increased every year since FY 2005. However, the current forecast of 39.0 million barrels for FY 2010 is slightly below the production levels of FY 2009. Approximately half of all Kansas oil produced is not subject to severance taxation because of various exemptions in state law.

The price of natural gas is expected to average \$3.50 per mcf for FY 2010 before increasing to \$4.30 per mcf for FY 2011, based on an industry source's analysis of futures markets. The new price estimates are below the \$3.75 and \$5.25 estimates used in the fall. Factors considered in revising the price forecasts included the relationship between crude oil and gas prices, the current relatively high storage levels for gas, limited industrial demand, and the impact of enhanced production from shale formations elsewhere in the United States. Kansas natural gas production in FY 2009 of 376.0 million cubic feet represented a significant decrease from the modern era peak of 730.0 million cubic feet in FY 1996 (largely as a result of depleting reserves in the Hugoton Field). Production has nevertheless stabilized somewhat in recent years and is expected to be 355.0 million cubic feet for FY 2010 before decreasing to 345.0 million cubic feet in FY 2011. Approximately 11.0 percent of gas produced is expected to be exempt from severance taxation in FY 2010, while this percentage is expected to drop to 9.0 percent in FY 2011.

Inflation Rate

The Consumer Price Index for all Urban consumers (CPI-U) decreased by 0.4 percent in 2009, which is off slightly from the November forecast that expected inflation to decrease by 0.5 percent. The current forecasts for 2010 and 2011 of 1.8 percent and 2.0 percent, respectively, indicate that inflation will likely continue to be held in check by aggressive Federal Reserve monetary policy.

Interest Rates

The Pooled Money Investment Board is authorized to make investments in U.S. Treasury and agency securities; highly rated commercial paper and corporate bonds; as well as repurchase agreements and certificates of deposit of Kansas banks. Low idle fund balances compared to previous years require PMIB to maintain a highly liquid portfolio, which reduces the amount of return available to the pool. In FY 2009, the state earned 2.20 percent on its SGF portfolio (compared with a 4.26 percent rate in FY 2008). The average rate of return forecasted for FY

2010 is now 1.28 percent (up slightly from the 1.05 percent estimate used in November). For FY 2011, the forecasted rate is 0.97 percent (down from the 1.22 percent rate assumed in November), but greater than expected cash balances are projected to bring in slightly more earnings to the State General Fund.

Economic Forecasts

	<u>CY 09</u>	<u>CY 10*</u>	<u>CY 11*</u>
KPI Growth	-1.75%	1.30%	3.50%
Inflation (CPI-U)	-0.40%	1.80%	2.00%
	<u>FY 09</u>	<u>FY 10*</u>	<u>FY 11*</u>
SGF Interest	2.20%	1.28%	0.97%
Oil and Gas			
Oil Price per bbl	\$73.44	\$60.00	\$65.00
Gross Prod. (000)	39,731	39,000	39,000
Gas Price per mcf	\$6.64	\$3.50	\$4.30
Gas Taxable Value (000)	1,816,868	1,105,825	1,349,985

* Estimated

State General Fund Receipts Estimates

FY 2010. The revised estimate of SGF receipts for FY 2010 is \$5.254 billion, a decrease of \$46.4 million from the previous estimate made in November. Total SGF receipts through March were running \$71.3 million below the previous estimate, but total taxes were \$92.0 million below that estimate. (A number of adjustments in net transfers from the SGF for FY 2010 were enacted earlier in the 2010 Session.) The revised estimate is \$333.1 million or 6.0 percent below actual FY 2009 receipts.

Each individual SGF source was reevaluated independently and consideration was given to revised and updated economic forecasts, collection information from the Departments of Revenue and Insurance, and year-to-date receipts.

The estimate of total taxes was decreased by \$104.0 million. Of this amount, new estimates for the individual income tax, severance tax, and retail sales accounted for \$88.2 million. Total taxes, which had grown by 1.9 percent in FY 2008 and declined by 8.4 percent in FY 2009, are now projected to decline by 5.9 percent in FY 2010.

The estimate for individual income taxes was decreased by \$50.0 million. Job losses and reduced earnings by employees as a result of the recession have lowered the amount of withholdings taxes that will be collected. Receipts through March were running \$47.4 million

below the prior fiscal year-to date estimate. The revised FY 2010 estimate now calls for a reduction of \$172.0 million, or 6.4 percent, in this source below FY 2009 receipts.

As noted earlier, the severance tax estimate was reduced largely as a result of significantly lower prices for oil and gas than had been assumed in the fall. The overall severance tax estimate was reduced by \$17.7 million (\$6.3 million attributable to gas; and \$11.4 million attributable to oil). Severance tax receipts were already \$13.9 million below the previous estimate through March.

On the positive side, the estimates were increased for net transfers, corporate franchise tax, corporation income tax, and several other sources, including SGF interest. Largely as a result of 2010 legislation, net transfers from the SGF are now expected to be \$91.0 million, which is an increase of \$57.3 million from the \$33.7 million that had been assumed in November. The estimate for the corporate franchise tax was increased by \$8.0 million, from \$26.0 million to \$34.0 million, based on higher year-to-date receipts that were already \$3.5 million ahead of the November estimate.

The corporation income tax estimate, which had been \$6.9 million above the prior fiscal year-to-date estimate through March, was increased by \$5.0 million based on higher estimated corporate profits and the assumptions of increased estimated payments that are partially offset by increased refunds by the end of the fiscal year. The slight increase in the SGF portfolio interest rate contributed to the additional \$3.0 million in anticipated earnings. Details of the current year's revised estimate are reflected in Table 2.

FY 2011. SGF receipts are estimated to be \$5.095 billion in FY 2011, a decrease of \$83.8 million relative to the November estimate. The new FY 2011 figure is \$159.6 million or 3.0 percent below the newly revised FY 2010 estimate. This result is heavily influenced by an increase of \$319.5 million in net transfers from the SGF which will occur absent any change in current law.

The estimate of total taxes was decreased by \$82.0 million. Of this amount, new estimates for the individual income tax, severance tax, and retail sales accounted for \$65.4 million. Total taxes in FY 2011 are now projected to increase by 3.0 percent above the newly revised FY 2010 amount, to reflect the modest economic recovery.

The corporation income tax receipts estimate was adjusted for the expectation of continued positive growth in corporate profits before taxes. This estimate, which was expected in November, to increase by 9.0 percent in 2011, is now expected to increase by only 5.0 percent. However, a significant reduction in the amount of refunds are now expected which will allow an additional \$10.0 million in corporate income tax receipts to be collected than estimated in November. The corporation income and corporate franchise taxes were the only estimated tax sources to have their estimates increased by more than \$1.0 million.

As noted previously, the downward revision in the SGF portfolio interest rate (from 1.22 percent to 0.97 percent), coupled with higher SGF balances, caused the projected interest

earnings estimate to be increased by \$3.0 million. Details of the FY 2011 revisions are shown in Table 3.

FY 2012 and thereafter. Although the Consensus Group will not make its initial estimate for FY 2012 until next fall, worthy of note is the fact that a number of provisions in previously enacted legislation will further reduce SGF receipts in FY 2012:

Legislation enacted in 2006 that decoupled the Kansas estate tax from the federal law beginning in 2007 and eliminates the Kansas tax altogether in 2010 will reduce receipts relative to the prior law by \$52.0 million in FY 2012.

Legislation enacted in 2007 that phases out the corporation franchise tax will reduce receipts relative to the prior law by an estimated \$48.0 million in FY 2012.

Legislation enacted in 2006 relative to a property tax exemption for business machinery and equipment is expected to further reduce motor carrier property tax receipts to the SGF by \$7.4 million in FY 2012.

Legislation enacted in 2005 will reduce severance tax receipts to the SGF by \$14.4 million in FY 2012.

Accuracy of Consensus Revenue Estimates

For 35 years, SGF revenue estimates for Kansas have been developed using the consensus revenue estimating process. Besides the three state agencies identified on the first page, the economists currently involved in the process are Joe Sicilian from the University of Kansas, Ed Olson from Kansas State University, and John Wong from Wichita State University. Each of the agencies and individuals involved in the process prepared independent estimates and met on April 16, 2010, to discuss estimates and come to a consensus for each fiscal year.

STATE GENERAL FUND ESTIMATES

Fiscal Year	Adjusted Original Estimate*	Adjusted Final Estimate**	Actual Receipts	Difference from:			
				<u>Original Estimate</u>		<u>Final Estimate</u>	
				Amount	Percent	Amount	Percent
1975	\$ --	\$ 614.9	\$ 627.6	\$ --	-- %	\$ 12.7	2.1 %
1976	676.3	699.7	701.2	24.9	3.7	1.4	0.2
1977	760.2	760.7	776.5	16.3	2.1	15.8	2.1
1978	830.1	861.2	854.6	24.5	3.0	(6.5)	(0.8)
1979	945.2	1,019.3	1,006.8	61.6	6.5	(12.5)	(1.2)
1980	1,019.3	1,095.9	1,097.8	78.5	7.7	1.9	0.2
1981	1,197.1	1,226.4	1,226.5	29.4	2.5	0.1	--
1982	1,351.3	1,320.0	1,273.0	(78.3)	(5.8)	(47.0)	(3.6)
1983	1,599.2	1,366.9	1,363.6	(235.6)	(14.7)	(3.2)	(0.2)
1984	1,596.7	1,539.0	1,546.9	(49.8)	(3.1)	7.9	0.5
1985	1,697.7	1,679.7	1,658.5	(39.2)	(2.3)	(21.3)	(1.3)
1986	1,731.2	1,666.4	1,641.4	(89.8)	(5.2)	(25.0)	(1.5)
1987	1,903.1	1,764.7	1,778.5	(124.6)	(6.5)	13.8	0.8
1988	1,960.0	2,031.5	2,113.1	153.1	7.8	81.6	4.0
1989	2,007.8	2,206.9	2,228.3	220.5	11.0	21.4	1.0
1990	2,241.2	2,283.3	2,300.5	59.3	2.6	17.2	0.8
1991	2,338.8	2,360.6	2,382.3	43.5	1.9	21.7	0.9
1992	2,478.7	2,454.5	2,465.8	(12.9)	(0.5)	11.3	0.5
1993	2,913.4	2,929.6	2,932.0	18.6	0.6	2.4	0.1
1994	3,040.1	3,126.8	3,175.7	135.6	4.5	48.9	1.6
1995	3,174.4	3,243.9	3,218.8	44.4	1.4	(25.1)	(0.8)
1996	3,428.0	3,409.2	3,448.3	20.3	0.6	39.0	1.1
1997	3,524.8	3,642.4	3,683.8	159.0	4.5	41.4	1.1
1998	3,714.4	3,971.0	4,023.7	309.3	8.3	52.7	1.3
1999	3,844.7	4,051.9	3,978.4	133.7	3.5	(73.4)	(1.8)
2000	4,204.1	4,161.0	4,203.1	(1.0)	--	42.1	1.0
2001	4,420.7	4,408.7	4,415.0	(5.7)	(0.1)	6.4	0.1
2002	4,595.8	4,320.6	4,108.7	(565.6)	(12.1)	(211.7)	(4.9)
2003	4,641.0	4,235.6	4,245.6	(395.4)	(9.3)	9.9	0.2
2004	4,605.5	4,450.0	4,518.7	(56.8)	(1.9)	68.2	1.5
2005	4,490.5	4,793.8	4,844.3	350.8	7.8	47.5	1.0
2006	4,834.0	5,308.7	5,394.4	560.4	11.6	85.7	1.6
2007	5,144.0	5,721.3	5,809.0	665.0	12.9	87.8	1.5
2008	5,700.4	5,736.3	5,694.9	(5.5)	(0.1)	(41.4)	(0.7)
2009	6,185.7	5,709.7	5,589.0	(596.7)	(9.6)	(120.7)	(2.1)

* The adjusted original estimate is the estimate made in November or December prior to the start of the next fiscal year in July and adjusted to account for legislation enacted, if any, which affected receipts to the SGF.

** The final estimate made in March or April is the adjusted original estimate plus or minus changes subsequently made by the Consensus Estimating Group. It also includes the estimated impact of legislation on receipts.

The table presents estimates compared to actual receipts since FY 1975, the fiscal year for which the current process was initiated. First, the adjusted original estimate is compared to actual collections and then the final estimate is compared to actual receipts.

Concluding Comments

Consensus revenue estimates are based on current federal and state laws and their current interpretation. These estimates will be further adjusted at the conclusion of the 2010 Legislative Session to reflect state legislation enacted after April 16 which affects SGF receipts.

Table 1
Consensus Revenue Estimate for Fiscal Years 2010 and 2011
and FY 2009 Actual Receipts
(Dollars in Thousands)

	FY 2009 (Actual)		FY 2010 (Revised)		FY 2011 (Revised)	
	Amount	Percent Change	Amount	Percent Change	Amount	Percent Change
Property Tax:						
Motor Carrier	\$ 29,257	0.8 %	\$ 24,000	(18.0) %	\$ 24,000	-- %
Income Taxes:						
Individual	\$ 2,682,000	(7.4) %	\$ 2,510,000	(6.4) %	\$ 2,585,000	3.0 %
Corporation	240,258	(44.4)	250,000	4.1	255,000	2.0
Financial Inst.	26,192	(21.0)	20,000	(23.6)	23,000	15.0
Total	\$ 2,948,450	(12.3) %	\$ 2,780,000	(5.7) %	\$ 2,863,000	3.0 %
Estate Tax	\$ 22,530	(49.1) %	\$ 9,000	(60.1) %	\$ 5,000	(44.4) %
Excise Taxes:						
Retail Sales	\$ 1,689,516	(1.3) %	\$ 1,640,000	(2.9) %	\$ 1,690,000	3.0 %
Compensating Use	235,026	(4.6)	205,000	(12.8)	230,000	12.2
Cigarette	107,216	(4.9)	99,000	(7.7)	95,000	(4.0)
Tobacco Products	5,728	3.2	6,300	10.0	6,600	4.8
Cereal Malt Bev.	2,089	(6.2)	2,100	0.5	2,100	--
Liquor Gallonage	18,215	3.6	18,200	(0.1)	18,800	3.3
Liquor Enforcement	53,794	7.6	56,500	5.0	58,000	2.7
Liquor Drink	9,141	2.7	9,100	(0.4)	9,300	2.2
Corp. Franchise	41,720	(10.6)	34,000	(18.5)	17,000	(50.0)
Severance	124,249	(16.1)	84,000	(32.4)	98,400	17.1
Gas	73,814	(19.3)	41,400	(43.9)	50,900	22.9
Oil	50,436	(11.0)	42,600	(15.5)	47,500	11.5
Total	\$ 2,286,693	(2.7) %	\$ 2,154,200	(5.8) %	\$ 2,225,200	3.3 %
Other Taxes:						
Insurance Prem.	\$ 119,590	1.7 %	\$ 118,800	(0.7) %	\$ 123,000	3.5 %
Miscellaneous	1,794	(65.7)	1,800	0.3	1,800	--
Total	\$ 121,384	(1.2) %	\$ 120,600	(0.6) %	\$ 124,800	3.5 %
Total Taxes	\$ 5,408,314	(8.4) %	\$ 5,087,800	(5.9) %	\$ 5,242,000	3.0 %
Other Revenues:						
Interest	\$ 64,199	(42.3) %	\$ 23,000	(64.2) %	\$ 25,000	8.7 %
Net Transfers	34,056	109.0	91,000	167.2	(228,491)	(351.1)
Agency Earnings	80,879	50.1	52,500	(35.1)	56,200	7.0
Total	\$ 179,134	183.7 %	\$ 166,500	(7.1) %	\$ (147,291)	(188.5) %
Total Receipts	\$ 5,587,448	(1.9) %	\$ 5,254,300	(6.0) %	\$ 5,094,709	(3.0) %

Table 2
State General Fund Receipts
FY 2010 Revised
Comparison of November 2009 Estimate to April 2010 Estimate
(Dollars in Thousands)

	FY 2010 CRE Est. Revised 11/05/09	FY 2010 CRE Est. Revised 04/16/10	Difference	
			Amount	Pct. Chg.
Property Tax:				
Motor Carrier	\$ 24,000	\$ 24,000	\$ --	-- %
Income Taxes:				
Individual	\$ 2,560,000	\$ 2,510,000	\$ (50,000)	(2.0) %
Corporation	245,000	250,000	5,000	2.0
Financial Inst.	24,000	20,000	(4,000)	(16.7)
Total	\$ 2,829,000	\$ 2,780,000	\$ (49,000)	(1.7) %
Estate Tax	\$ 14,500	\$ 9,000	\$ (5,500)	(37.9) %
Excise Taxes:				
Retail Sales	\$ 1,660,500	\$ 1,640,000	\$ (20,500)	(1.2) %
Compensating Use	222,000	205,000	(17,000)	(7.7)
Cigarette	102,000	99,000	(3,000)	(2.9)
Tobacco Product	6,000	6,300	300	5.0
Cereal Malt Beverage	2,200	2,100	(100)	(4.5)
Liquor Gallonage	18,500	18,200	(300)	(1.6)
Liquor Enforcement	57,000	56,500	(500)	(0.9)
Liquor Drink	9,500	9,100	(400)	(4.2)
Corporate Franchise	26,000	34,000	8,000	30.8
Severance	101,700	84,000	(17,700)	(17.4)
Gas	47,700	41,400	(6,300)	(13.2)
Oil	54,000	42,600	(11,400)	(21.1)
Total	\$ 2,205,400	\$ 2,154,200	\$ (51,200)	(2.3) %
Other Taxes:				
Insurance Premiums	\$ 117,500	\$ 118,800	\$ 1,300	1.1 %
Miscellaneous	2,000	1,800	(200)	(10.0)
Total	\$ 119,500	\$ 120,600	\$ 1,100	0.9 %
Total Taxes	\$ 5,192,400	\$ 5,087,800	\$ (104,600)	(2.0) %
Other Revenues:				
Interest	\$ 20,000	\$ 23,000	\$ 3,000	15.0 %
Net Transfers	33,700	91,000	57,300	170.0
Agency Earnings	54,600	52,500	(2,100)	(3.8)
Total Other Revenue	\$ 108,300	\$ 166,500	\$ 58,200	53.7 %
Total Receipts	<u>\$ 5,300,700</u>	<u>\$ 5,254,300</u>	<u>\$ (46,400)</u>	<u>(0.9) %</u>

Table 3
State General Fund Receipts
FY 2011 Revised
Comparison of November 2009 Estimate to April 2010 Estimate
(Dollars in Thousands)

	FY 2011 CRE Est. Revised 11/05/09	FY 2011 CRE Est. Revised 04/16/10	Difference	
			Amount	Pct. Chg.
Property Tax:				
Motor Carrier	\$ 24,000	\$ 24,000	\$ --	-- %
Income Taxes:				
Individual	\$ 2,610,000	\$ 2,585,000	\$ (25,000)	(1.0) %
Corporation	245,000	255,000	10,000	4.1
Financial Inst.	25,000	23,000	(2,000)	(8.0)
Total	\$ 2,880,000	\$ 2,863,000	\$ (17,000)	(0.6) %
Estate Tax	\$ 5,000	\$ 5,000	\$ --	-- %
Excise Taxes:				
Retail Sales	\$ 1,710,000	\$ 1,690,000	\$ (20,000)	(1.2) %
Compensating Use	250,000	230,000	(20,000)	(8.0)
Cigarette	100,000	95,000	(5,000)	(5.0)
Tobacco Product	6,200	6,600	400	6.5
Cereal Malt Beverage	2,200	2,100	(100)	(4.5)
Liquor Gallonage	19,100	18,800	(300)	(1.6)
Liquor Enforcement	59,000	58,000	(1,000)	(1.7)
Liquor Drink	9,700	9,300	(400)	(4.1)
Corporate Franchise	15,000	17,000	2,000	13.3
Severance	118,800	98,400	(20,400)	(17.2)
Gas	62,800	50,900	(11,900)	(18.9)
Oil	56,000	47,500	(8,500)	(15.2)
Total	\$ 2,290,000	\$ 2,225,200	\$ (64,800)	(2.8) %
Other Taxes:				
Insurance Premiums	\$ 123,000	\$ 123,000	\$ --	-- %
Miscellaneous	2,000	1,800	(200)	(10.0)
Total	\$ 125,000	\$ 124,800	\$ (200)	(0.2) %
Total Taxes	\$ 5,324,000	\$ 5,242,000	\$ (82,000)	(1.5) %
Other Revenues:				
Interest	\$ 22,000	\$ 25,000	\$ 3,000	13.6 %
Net Transfers	(223,700)	(228,491)	(4,791)	(2.1)
Agency Earnings	56,200	56,200	--	--
Total Other Revenue	\$ (145,500)	\$ (147,291)	\$ (1,791)	(1.2) %
Total Receipts	\$ 5,178,500	\$ 5,094,709	\$ (83,791)	(1.6) %